

Executive Summary

The I-20 Business Park was identified as a future major employment area in 1987 in an effort to foster the adopted goal of becoming a “Center of Metroplex Employment.” This study evaluates the development of the Interstate 20 Business Park Overlay District relative to this goal, adopted development policies, and market demands. The development policies for the I-20 Corridor were adopted in 1989 by Resolution 89-650 after lengthy Council deliberation of such factors as an analysis of primary and secondary employment, property and sales tax revenue, additional operating and capital costs, and other qualitative considerations. The analysis concluded that Arlington would benefit most from office, industrial, and warehouse/distribution uses in the Corridor. A subsequent 1995 study of industries, performed by Hammer, Siler, George Associates for the Arlington Chamber of Commerce, identified industries and companies which could add significant numbers of new jobs and increase property tax revenue. This Target Industry Study was followed by a Marketability Study performed by Deloitte and Touche Fantus Consulting in 1997 that identified barriers to attracting the target industries to the I-20 Corridor. Finally in 1999 the Angelou Economic Advisors completed a target industry study that focused on target industry clusters.

Changes in the development incentives, including the reduction of impact fees, increasing tax abatement limits for target industries and freeport tax exemptions, came as a result of the above studies. Although these changes have helped to attract some large office developments, the area still remains approximately 50 percent undeveloped and is under constant market pressure to absorb additional retail and freeway-oriented uses. For these reasons, this report provides information to assist in the reassessment of the policies adopted in 1989.

At the time of the adoption of the 1987 Comprehensive Plan, there were nearly 6,400 acres city-wide identified for employment center development. Since that time, retail and residential market pressures and a lack of demand for industrial and office uses have made it difficult for the City to achieve its goal of having a high ratio of jobs to households. Despite policies, ordinances, and goals aimed at attracting employment center development, almost 2000 acres of land has been reclassified away from the major employment center designation since 1987.

The report includes three development scenarios for the I-20 corridor with an economic impact analysis of each.

Many of the market demands within the I-20 Corridor have not been consistent with the 1989 Business Park goals and policies of the Corridor. This report evaluates where these inconsistencies lie, analyzes the development effects of the existing policies and regulations, and suggests policy revisions and BP Ordinance revisions.

Loss of land within the major employment center land use designation has hindered the City's efforts to accomplish an additional goal of achieving a high ratio of jobs to households. Arlington's current ratio is 0.9 jobs per household as compared to a 12 city average of 1.7 jobs per household.

The first scenario proposed in the report is a retail center option. This "Retail Center" scenario supports further large scale development of retail and freeway-oriented uses and a significant reduction of target industry designated land. The net revenue increase to the operating budget for additional retail, commercial, and residential uses is approximately \$7.3 million. This option would also provide approximately 33,500 direct jobs and create a total economic impact of over \$2.47 billion.

Although this option provides less employment base diversification and is likely to consist of lower wage-earning jobs, it may have the benefit of a shorter build-out time as well as limiting government intervention in the marketplace. If this scenario is followed, there will be a further reduction of employment center land area causing the City to be less likely to reach the jobs per household ratio that is desired.

The second scenario, the "Employment Center" option, represents a continuation of current policies identified in the 1987 and 1992 Comprehensive Plans which are aimed at diversifying the employment and job base, increasing revenue, and balancing employment and residential development. This option is estimated to provide a net increase to the City's operating budget by approximately \$5.8 million and would have a total economic impact of \$3 billion while providing 35,100 direct jobs.

This second scenario may be viewed as unresponsive to current market conditions and requiring a larger government role in the marketplace than that in the Retail Center Scenario. Nevertheless, it is expected to create added fiscal and economic benefits to the city, thus promoting a lower tax rate.

The third scenario, the "Economic Center" option, is a hybrid scenario. It is similar to the second scenario, with the primary difference being the addition of retail nodes at most major intersections within the I-20

corridor. This scenario also supports an expansion of auto sales between Collins and New York Avenue. The Economic Center option is estimated to provide the City with \$6 million in net revenue, attract 34,600 direct jobs, and have a total economic impact of \$2.85 billion.

The report concludes with a Planning and Zoning Commission recommendation for the Economic Center option. This option is viewed as better reflecting current market conditions as well as target industries. This flexibility is accommodated while maintaining the primary intent of promoting target industries in the area through the clustering of the automotive sales and retail uses in the Corridor. The addition of a Comprehensive Plan map removes some of the uncertainty developers in the I-20 Corridor currently face.

The Commission also recommended a new vision statement and a new set of Business Park policies to replace those adopted in 1989. The proposed vision statement outlines the purpose of the I-20 Corridor and related policies as being broader than simply focusing on job creation but also on developing a significant tax base and enhanced economy of the city.

There are some parcels, isolated from the main body of the Corridor, which currently have the BP overlay zoning that are recommended for removal from this district. Other recommendations are made such as completing a business area plan on the land north of the Trinity River and East of Collins Street. This area was once a designated employment center and the Commission believes it would be to the benefit of the city if it were developed for employment center type uses.

On April 11, 2000 the City Council held a public hearing on the I-20 Business Area Plan and unanimously approved a resolution that adopted all of the Planning and Zoning Commission's recommendations.

The following overview highlights some major differences between the 1989 policies and the policies adopted by the City Council through this report.

City Council

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Contributing Planning Staff

Theresa O'Donnell, AICP, Director
Don Hastings, AICP, Assistant Director
John Taylor, AICP, Chief Planner
Kenneth Bloom, AICP, Senior Planner
Jolene Piel, Planner (*former staff member*)
Tom Konzel, GIS Programmer

For a complete copy of the [2000 Interstate 20 Business Area Plan](#), contact the **Development Services Desk** at **(817) 459-6526**.

For questions or comments, contact the **Department of Planning and Development Services** at **(817) 459-6650**.